

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND COMMERCE

Call to Order: By **CHAIRMAN DICK HAINES**, on January 8, 2001 at 8:00 A.M., in Room 317-C Capitol.

ROLL CALL

Members Present:

Rep. Dick Haines, Chairman (R)
Sen. William Crismore, Vice Chairman (R)
Rep. Christine Kaufmann (D)
Sen. Linda Nelson (D)
Sen. Bill Tash (R)
Rep. Joe Tropila (D)

Members Excused: None.

Members Absent: None.

Staff Present: Doug Schmitz, OBPP
Todd Younkin, Legislative Branch
Amber Sauer, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: Department of Livestock,
1/8/2001

Executive Action: Department of Livestock

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HEARING ON THE DEPARTMENT OF LIVESTOCK

Mr. Mark Bridges, Executive Director of The Department of Livestock, introduced members of the board that were in attendance. He spoke of the five main divisions of the Department of Livestock: 1) Animal Health Disease Control; 2) Brand Enforcement; 3) Predator Control; 4) Meat, Milk and Egg Inspection; and 5) Diagnostic Lab.

Mr. George Harris, Administrator, Central Services, Department of Livestock, distributed information for the committee.

EXHIBIT(jnh05a01)

He explained the chart and that the per capita fee is the primary source of funding for the Department.

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The Department has the right to set the per capita fee. In the 1996 audit due to a surplus, it was suggested that the balance be reduced. General management policy is to have 40% of funds in tact so that yearly operations may resume as planned. It was mentioned the general fund has taken a dramatic drop. **CHAIRMAN HAINES** asked if the fee for collections can be used for this fund. **Mr. Bridges** that federal law prohibits using fee collections for fee matching.

Mr. Harris spoke of rented office space and the need for continued funding. He also discussed how they would like to fund the position of a programmer. This would be a position upgrade that would cost \$4305 per year. He explained this person would be able to help in the department and allow the department to better handle the increasing demand.

{Tape : 1; Side : A; Approx. Time Counter : 513}

Motion/Vote: SEN. NELSON moved that DP 2 BE ADOPTED with \$106,000 in fiscal 2002 designated as a one-time-only. REP TROPILA seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved that DP 20 BE ADOPTED. SEN. CRISMORE seconded the motion. Motion carried 6-0.

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CHAIRMAN HAINES asked about the percentage of computers replaced each year in regards to DP 3. **Mr. Harris** stated that since they are on a 5-year cycle, he assumed approximately 20% of them would be replaced each year. **CHAIRMAN HAINES** asked if it is true that old computers are disposed of after the upgrade. **Mr. Harris** confirmed that this is what happens.

Motion/Vote: SEN. NELSON moved that DP 3 BE ADOPTED. SEN. CRISMORE seconded the motion. Motion carried 6-0.

{Tape : 1; Side : B; Approx. Time Counter : 616}

Mr. Harris spoke on DP 19. He stated that a secretary position is currently being funded out of the Animal Health and Inspection Control Programs. The Department feels that it would be more appropriate to fund this position out of the Centralized Services Division.

Motion/Vote: SEN. CRISMORE moved that DP 19 BE ADOPTED. SEN. NELSON seconded the motion. Motion carried 6-0.

Motion/Vote: REP. TROPILA moved that DP 16 BE ADOPTED. SEN. CRISMORE seconded the motion. Motion carried 6-0.

Mr. Todd Younkin, LFD, recommended DP-4 be addressed in the Milk Control Bureau Program since the Department would be funding it from that program. **CHAIRMAN HAINES** agreed.

Motion: SEN. NELSON moved that DP 9 BE ADOPTED.

Discussion: Concerns on the transfer of general fund were addressed. **Mr. Harris** pointed out there were unexpected outbreaks of diseases in animals this year, and that is the reason for the transfer of funds. **Mr. Doug Schmitz, OBPP,** stated it was his recommendation not to limit the transfer of general funds. **SEN. NELSON** asked if this was monitored each year. **Mr. Todd Younkin, LFD,** stated that his analysis would monitor the use of general funds.

Motion/Vote: SEN. NELSON moved that DP 9 BE ADOPTED. SEN. CRISMORE seconded the motion. Motion carried 6-0.

Mr. Harris asked for a \$7250/year per diem increase. He pointed out this is not an increase over last year, but that per diem is a zero based item in the budget. **Mr. Younkin** explained that overtime and per diem are not automatically carried over in the base year expenditures.

Motion/Vote: REP. KAUFMANN moved to ADD \$7250/YEAR OF THE BIENNIIUM FOR PER DIEM BE ADOPTED. SEN. CRISMORE seconded the motion. Motion carried 6-0.

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Mr. Harris requested adding \$4305 per year to upgrade a computer position to a Programmer/Analyst. He stated there would be no increase in FTE, just an upgrade of the existing position to better serve the Department's needs.

Motion/Vote: SEN. CRISMORE moved to ADD \$4305/YEAR FOR A POSITION UPGRADE TO PROGRAMMER/ANALYST BE ADOPTED. SEN. TASH seconded the motion. Motion carried 6-0.

{Tape : 2; Side : A; Approx. Time Counter : 58}

Mr. Harris discussed the diagnostic lab and introduced Dr. Larry Strackhouse, Administrator of the Lab in Bozeman. Mr. Harris spoke of how the workload has increased in the lab, and the cost of supplies has been increasing. Utilities have also impacted funding in the past. Dr. Larry Strackhouse explained how he has no control over the number of requests at the lab. He also pointed out that the cost of supplies has gone up 8% over the last year. He explained that for some of the supplies they use in the lab there is only one supplier, so price shopping is not an option.

Motion/Vote: SEN. NELSON moved that DP 2 BE ADOPTED. REP. KAUFMANN seconded the motion. Motion carried 6-0.

{Tape : 2; Side : A; Approx. Time Counter : 185}

EXHIBIT (jnh05a02)

Motion/Vote: SEN. NELSON moved that DP 5 BE ADOPTED. SEN. CRISMORE seconded the motion. Motion carried 6-0.

Motion/Vote: REP. TROPILA moved DP 21. SEN. TASH seconded the motion. Motion carried 6-0.

{Tape : 2; Side : A; Approx. Time Counter : 248}

Motion: SEN. NELSON moved DP 22.

Discussion: SEN. TASH asked about the incinerator costs. Mr. Bridges explained that due to the large number of cases of Chronic Wasting Disease last year, they had to have the carcasses incinerated elsewhere. He explained the lab does not have the capabilities to handle the volume they were faced with.

Motion/Vote: SEN. NELSON moved that DP 22 BE ADOPTED. SEN. CRISMORE seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. CRISMORE moved that DP-23 BE ADOPTED. REP. TROPILA seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved that DP 30 BE ADOPTED. SEN. CRISMORE seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. TASH moved TO ADJUST FUNDING TO ACCOMMODATE A GRADE 16 SPECIALIST THAT IS FUNDED ENTIRELY WITH FEDERAL BISON FUNDING AND WOULD ADD APPROXIMATELY \$40,000 TO THE BASE IN EACH YEAR OF THE BIENNIUM. SEN. CRISMORE seconded the motion. Motion carried 6-0.

Dr. Arnold Gertonson from the Animal Health Division handed out a FY2000 Bison Fiscal Report and Financial Plan FY2001 Brucellosis Prevention Operations.

EXHIBIT(jnh05a03) and **EXHIBIT**(jnh05a04)

{Tape : 2; Side : A; Approx. Time Counter : 379}

He spoke of disease control and how the federal government is playing a much larger role in the Bison problem. **REP. KAUFMANN** questioned why the Department of Livestock was responsible for dealing with the bison since they are a wild animal. **Mr. Bridges** explained that in 1995 a Senate Bill was passed that made the Department of Livestock responsible for dealing with any disease that can affect livestock.

Motion/Vote: REP. TROPILA moved that DP 1 BE ADOPTED ON A ONE TIME ONLY BASIS AND RESTRICTED. Motion seconded by SEN. CRISMORE. Motion carried 6-0.

Motion/Vote: SEN. CRISMORE moved TO ALLOW ADDITIONAL FTE FOR A TOTAL OF 6 WITH NO CHANGE IN OVERALL FUNDING. REP. TROPILA seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved TO INCLUDE LANGUAGE REQUIRING THE DEPARTMENT OF LIVESTOCK ANIMAL HEALTH DIVISION TO PROVIDE AN ANNUAL REPORT OF ALL EXPENDITURES RELATED TO BISON CONTROL AS RECOMMENDED BY THE LEGISLATIVE FISCAL DIVISION. Motion seconded by REP. TROPILA. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved that DP 7 BE ADOPTED. Motion seconded by SEN. CRISMORE. Motion carried 6-0.

Motion/Vote: SEN. CRISMORE moved that DP 17 BE ADOPTED. Motion seconded by REP. KAUFMANN. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved that DP 24 BE ADOPTED. Motion seconded by SEN. TASH. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved that DP 31 BE ADOPTED. Motion seconded by SEN. CRISMORE. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved that DP 34 BE ADOPTED. Motion seconded by SEN. CRISMORE. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved that DP 1 ONE TIME ONLY AND RESTRICTED BE ADOPTED. REP. TROPILA seconded the motion. Motion carried 6-0.

{Tape : 3; Side : A; Approx. Time Counter : 0}

EXHIBIT(jnh05a05) and **EXHIBIT**(jnh05a06)

Mr. Harris spoke on the Greater Yellowstone Interagency Brucellosis Committee and requested additional authority to accommodate an increased federal grant. **CHAIRMAN HAINES** requested Mr. Younkin, Mr. Harris, and Mr. Schmitz meet and put the information together in a spreadsheet which would be clearer and more easily explainable to the Committee. It was decided the issue would be addressed again on the morning on January 9, 2001.

Dr. Ken Lee was introduced when the discussion moved to the Meat, Milk and Egg Division. The Meat, Milk and Egg Division is responsible for doing inspections and making sure that these products are safe for consumers.

Motion/Vote: SEN. NELSON moved that DP 8, DP 25, AND DP 35 BE ADOPTED. Motion was seconded by SEN. TASH. Motion carried 6-0

The next order of business was the Inspection and Control Program introduced by Mr. Younkin. Mr. Harris addressed the need to replace vehicles, the request for inspector overtime (as this is a zero based budget item), and the secretary position addressed preciously in the Centralized Services and Animal Health.

Mr. Jack Wiseman, Administrator of Inspection and Control Division, was introduced.

{Tape : 3; Side : A; Approx. Time Counter : 341}

Motion/Vote: SEN. CRISMORE moved that DP 6 BE ADOPTED. REP. TROPILA seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. CRISMORE moved DP 18 BE ADOPTED. Motion seconded by SEN. NELSON. Motion carried 6-0.

Motion/Vote: SEN. CRISMORE moved that DP 26 BE ADOPTED. REP. TROPILA seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. TASH moved that DP 27 BE ADOPTED. SEN. CRISMORE seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved that DP 4 ONE TIME ONLY AND RESTRICTED BE ADOPTED. REP. TROPILA seconded the motion. Motion carried 6-0.

Mr. Younkin spoke regarding the predator control program which is tied to the issue of fund balances. He would prefer to address that portion of this with the others on January 9, 2001. Mr. Harris spoke on the predator control program and informed the committee that Mr. Bridges is in charge of the program. He also explained that \$110,000 will no longer be available from Fish, Wildlife, and Parks. Two helicopters are operated by the department, and maintenance is the reason for the slight increase in the budgets.

Mr. Bridges said that the Department received a surplus military helicopter they were able to get up and running and that it is stationed in Eastern Montana; the other Department-owned helicopter is stationed in Helena. The employees are hired through contracted services.

Mr. Harris noted that the proposal does include one FTE that is unfunded. The reason for this is in case something would ever happen to the Federal Contract they would be able to utilize the FTE to provide the Department with a State Employee pilot if need be.

Mr. Bridges stated that the Federal Wildlife budget had been unstable over the last couple years. CHAIRMAN HAINES asked for clarification that Mr. Bridges is asking for an FTE, but no funding to go with it. Mr. Bridges stated that was correct. SEN. NELSON asked how it is determined when a helicopter will go out and shoot coyotes for example. Mr. Larry Handagard, Director of Wildlife Services, answered the question that they do operate on a request basis. If possible, they will go out immediately. They also have historical areas where they tend to have problems every year. The helicopter that is stationed in Billings works from Big Timber east to the North Dakota line and the helicopter stationed in Helena works the western part of the state.

Motion/Vote: SEN. CRISMORE moved that DP-10 BE ADOPTED. SEN NELSON seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. NELSON moved that DP 28 BE ADOPTED. SEN. TASH seconded the motion. Motion carried 6-0.

Motion/Vote: REP. TROPILA moved that DP 29 BE ADOPTED. SEN. TASH seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. CRISMORE moved that DP 32 AND DP 33 BE ADOPTED. SEN. TASH seconded the motion. Motion carried 6-0.

Motion/Vote: SEN. CRISMORE moved that DP 4 BE ADOPTED. SEN. TASH seconded the motion. Motion carried 6-0.

The committee went over the schedule for the next few days.

CHAIRMAN HAINES adjourned the meeting.

ADJOURNMENT

Adjournment: 11:15 A.M.

REP. DICK HAINES, Chairman

AMBER SAUER, Secretary

DH/AS

EXHIBIT (jnh05aad)